

# Department of the Army Small Business Program



"Our Army at War - Relevant & Ready"

## 8TH ANNUAL ARMY CORPS OF ENGINEERS SMALL BUSINESS CONFERENCE

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OFFICE OF THE SECRETARY OF THE ARMY



## MISSION

Advise Army Secretariat  
on Implementing Laws  
Concerning the Small  
Business Program

Enhance Ability of SB,  
SDB, WOB and HBCU/MI  
to Participate in Army  
Contracting Programs

**SMALL  
BUSINESS  
ADVOCATES**

Afford Equitable Opportunity for  
SB to Provide Quality Goods and  
Services at the Best Value

**SERVICE  
ORIENTED  
TEAM**

Establish Challenging  
Small Business Goals for  
Army Major Commands

Provide Policy Guidance,  
Direction and Education to  
the Army Acquisition  
Community

## ARMY PRIME CONTRACT AWARDS FY03 vs FY04

**FY 04 – 11/21/04**

	<b>FY 03 Total Dollars</b>	<b>FY 03 Achieved</b>	<b>FY 04 Total Dollars</b>	<b>FY 04 Achieved</b>
<b>US Business</b>	<b>\$ 48,576</b>		<b>\$55,275</b>	
<b>Small Business</b>	<b>\$ 13,596</b>	<b>28.0%</b>	<b>\$15,470</b>	<b>27.9%</b>
<b>Small Disadvantaged Business</b>	<b>\$ 4,268</b>	<b>8.8%</b>	<b>\$ 5,004</b>	<b>9.0%</b>
<b>Women-Owned SB</b>	<b>\$ 1,815</b>	<b>3.7%</b>	<b>\$ 2,029</b>	<b>3.7%</b>
<b>HUBZone Small Business</b>	<b>\$ 1,405</b>	<b>2.9%</b>	<b>\$ 1,573</b>	<b>2.8%</b>
<b>Service Disabled Veteran- Owned SB</b>	<b>\$ 100</b>	<b>0.2%</b>	<b>\$ 233</b>	<b>0.4%</b>

**DOLLARS SHOWN IN MILLIONS**





## Inside the Numbers

- Small Business: \$15.4B (Exceeded Target)
- Small Disadvantaged Business: \$5B (Exceeded Target)
- Women Owned: \$2B (First Federal Agency)
- HUBZone: \$1.5B (Highest in Federal Government)
- SDVOSB:
  - Increased dollars from \$100M to \$232M
  - Increased percentage by 100%



## **FY05 ARMY SMALL BUSINESS REINVENTION INITIATIVES**



- Promote opportunities for firms located in HUBZones through a comprehensive outreach initiative of strategic partnering with other DOD and Federal Agencies, regional match-making events, and co-marketing with other programs.
- Maximize value of small business to the war fighter by promoting contracting opportunities in contingency operations.
- Promote utilization of small businesses as subcontractors in acquisitions of combat systems such as the Future Combat System (FCS).
- Continue to promote the increase awareness of the SDVOSB Program through an innovative outreach program.



## RCI PORTFOLIO SMALL BUSINESS STATISTICS



Element	RCI Portfolio				Army Targets
Quarter	March 2004		June 2004		
Total contracts awarded to date	\$409,962,232		\$650,065,204		
Total Small Business	<b>\$297,392,026</b>	<b>73%</b>	<b>\$423,233,426</b>	<b>65%</b>	<b>47%</b>
Disadvantaged	\$27,096,326	6%	\$30,446,096	5%	<b>9%</b>
Veteran Owned	\$19,218,162	5%	\$20,296,959	3%	<b>3%</b>
Woman Owned	\$41,855,816	10%	\$49,232,495	7%	<b>8%</b>
HUB Zone	\$10,372,887	3%	\$10,752,204	2%	<b>3%</b>



## ARMY SUBCONTRACT AWARDS



### FY 03

	TOTAL DOLLARS	ACHIEVED	OSD TARGET
US Business	\$ 5,183		
Small Business	\$ 2,592	50.0%	40.0%
Small Disadvantaged Business	\$ 425	8.2%	5.0%
Women-Owned SB	\$ 369	7.1%	5.0%
HUBZone Small Business	\$ 127	2.4%	0%
Service Disabled Veteran- Owned SB	\$ 18	0.3%	3.0%

DOLLARS SHOWN IN MILLIONS





# MENTOR-PROTÉGÉ PROGRAM



- Provides incentives to prime contractors to develop the technical and business capabilities of SDBs and other eligible protégés to increase their participation in both prime contracts and subcontracts
- Prime contractors may be reimbursed labor costs or allowed to credit costs toward subcontracting goals
- The Defense Authorization Act for fiscal year 2001 extended the MPP until 30 Sep 2005 for approval of new agreements, and until 30 Sep 2008 for incurred costs
- Army Pilot 8(a) Graduate Mentor-Protégé Program
  - **Seeks to get graduated 8(a) firms involved in mentoring emerging 8(a) firms**





# **MENTOR-PROTÉGÉ PROGRAM**



- Army goal is to engage industries to shape and expand the industrial base to support the warfighter
- Seeking agreements with strong technical component, or focus on innovative transfer of state of the art technology
- Structured process for submitting proposals
- Strong evaluation criteria
- Will involve Army Associate Directors
- Army currently has 41 active agreements



## MENTOR-PROTÉGÉ PROGRAM



- DoD delegated approval authority to services beginning FY 2004
- Policy, guidance & instructions on Army SADBUs website: [www.sellingtoarmy.info](http://www.sellingtoarmy.info)
- Three rounds of proposals for FY 2005  
Proposal due dates: 15 Dec, 15 Apr, 15 Aug
- Agreements 1-3 years
- \$500,000 per agreement, except manufacturing may be funded higher with justification



## CHALLENGES

- Consolidation / Bundling
- GSA Schedules – SADBUs review
- Weak subcontracting plan enforcement
- Insufficient staffing of SADBUs offices





## WEBSITES

Army SADBUI

<http://www.sellingtoarmy.info>

DOD SADBUI

<http://www.acq.osd.mil/sadbu>

Centralized Contractor  
Registration (CCR) <http://www.ccr.gov>

Federal Business  
Opportunities (Fed Biz Opps) <http://www.fedbizopps.gov>

Small Business  
Administration (SBA) <http://www.sba.gov>

# Army Small Business Office



**Let's Continue the Dialog !**